

BEFORE THE COMMISSIONER OF INSURANCE

STATE OF GEORGIA

NOTICE OF INTENT TO ADOPT RULE CHANGES AND NOTICE OF HEARING

Notice is hereby given pursuant to the Georgia Administrative Procedure Act, O.C.G.A. Sections 50-13-3, 50-13-4, 50-13-6, 50-13-21, and, 33-2-9 of the following proposal by the Commissioner of Insurance to amend the Rules and Regulations of the Office of the Commissioner of Insurance.

The Rules and Regulations of the Office of the Commissioner of Insurance are proposed to be amended by the following actions:

-Modifying Regulation Chapter 120-2-72 entitled "Special Insurance Fraud Fund" by repealing Regulations 120-2-72-.04,.05,.06 and .08, entitled "Definitions," "Participation in Fund," "Terms and Conditions for Use of Funds," and "Severability," respectively, and adopting in lieu thereof, new Regulations 120-2-72-.04,.05,.06, and .08 with the same titles.

SYNOPSIS AND EXPLANATION OF PROPOSED RULE CHANGES

Pursuant to O.C.G.A. §33-1-17, a Special Insurance Fraud Fund exists in this state for the purpose of facilitating the proper and expeditious investigation and prosecution of insurance fraud. Accordingly, there is imposed upon each foreign, alien, and domestic insurance company doing business in this state an annual assessment. The current language in Regulation 120-2-72-.05(3) provides that "[I]n the event of a supplemental appropriation, the assessment will be made as soon as practicable after approval of the appropriation, and will be due on May 15 of the year of the assessment." (emphasis added). This language is problematic because the date of the approval of a supplemental appropriation could vary widely and the Office of the Commissioner of Insurance (this "Office") has no control over the time-line. For example, the approval of a supplemental appropriation could occur on May 12 of a given year. Consequently, it would not be feasible for this Office to collect an assessment by May 15 of that year. The language proposed for Regulation 120-2-72-.05(3) provides that "[I]n the event of a supplemental appropriation, the assessment will be made as soon as practicable after approval of the appropriation, and will be due thirty (30) days after the assessment." (emphasis added). All of the other modifications referenced herein, involve the corrections of minor typographical errors. The full texts of the proposed Regulations are attached hereto and made a part hereof by reference.

SCHEDULE

The aforesaid proposals, which are being forwarded to the Attorney General for approval as to legality pursuant to O.C.G.A. Section 33-2-9, are now on file in the Administrative Procedure Division of the Office of Commissioner of Insurance, 1016 West Tower, Floyd Building, Two Martin Luther King, Jr. Drive, Atlanta, Georgia 30334, and are hereby declared to


be a public record as follows:

Interested persons may participate in the proposed rulemaking process by submitting their written comments to **Vince Wiegand, Administrative Procedure Division, Office of Commissioner of Insurance, 1016 West Tower, Floyd Building, Two Martin Luther King, Jr. Drive, Atlanta, Georgia 30334**. All written comments must be received by the Administrative Procedure Division by 4:30 p.m. on Friday, April 26, 2013. Interested persons may also participate in the proposed rulemaking by presenting comments orally at the hearing to commence at 9:00 a.m. on Wednesday, May 1, 2013, in the Hearing Room of the Office of Commissioner of Insurance, Seventh Floor, West Tower, Floyd Building, Two Martin Luther King, Jr. Drive, Atlanta, Georgia 30334.

Oral presentations at the hearing may be limited to five (5) minutes per person in order to afford all interested persons an opportunity to be heard. If you have a physical impairment and require assistance or have any questions regarding this notice, please contact the Administrative Procedure Division.

Based upon full consideration of all written and oral comments regarding the above matters, the Commissioner of Insurance may reject or adopt the proposed rules or may make changes to the proposed rules which may require another rulemaking hearing.

Given under my Hand and Official Seal this 25 day of March, 2013.



RALPH T. HUDGENS
COMMISSIONER OF INSURANCE
STATE OF GEORGIA

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